

## INTERNAL SERVICE FUNDS

- Fleet Services
- Information Technology
- Risk Management

The budget pages in this section comprise those departments that are in the Internal Service Accounting Fund. These departments provide services to other city departments and assess a user fee to cover the cost of its operations.

For instance, Fleet Services charges fees to City departments that own vehicles and heavy equipment for the cost of maintenance and upkeep of the equipment. Information Technology charges fees to City departments for telecommunication and pc support; and Risk Management charges departments who own vehicles and equipment for insurance premiums and also charges the general fund for general liability insurance and workmen's compensation.

# FLEET SERVICES



"Fleet services ensure a quick turnaround, so that inspectors are on the road and ready to go. They certainly recognize the importance of building and code enforcement to the overall safety and appearance of our community. I value fleets efforts in these challenging times."

- Chip McErlean



## **FLEET SERVICES**

Fleet Services, an A.S.E. Blue Seal operation since 2004, offers efficient, cost-effective and high quality services. Revenues for this department are generated from labor and handling fees assessed to user departments.

**The total budget for this department is \$8,117,085, which funds the following services in these approximate amounts:**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>FY13<br/>Budget</b> | <b>FY13<br/>Positions</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------------|
| <b>Leadership &amp; Management</b>                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>\$236,814</b>       | <b>1.5</b>                |
| Provide leadership and management for the offering of maintenance, repair, fueling and vehicle acquisition/disposition services to Fleet Services' customers. Align the department's organizational strategies with the City's organizational goals and ensure continuing education for employees.                                                                                                                                                          |                        |                           |
| <b>Vehicle Maintenance</b>                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>\$7,601,715</b>     | <b>24.5</b>               |
| Provide maintenance and repair services that result in the operation of safe, reliable and cost-effective vehicles/ equipment to assist user departments in supplying superior services. Conduct an effective and scheduled preventative maintenance program which results in improved vehicle availability and reduced downtime/inconvenience to customers. Accomplish timely, responsive and efficient vehicle/equipment repairs.                         |                        |                           |
| <b>Fuel Services</b>                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>\$151,735</b>       | <b>0.5</b>                |
| Provide clean, safe and reliable fueling facilities which are available to Fleet Services' customers 24 hours/day, 7 days/week. Identify appropriate locations for in-house fueling sites and commercial alternatives that are geographically convenient to customers. Maintain fuel contingency plans in the event of shortage due to supply disruptions or emergency situations. Conduct effective preventative maintenance on fuel dispensing equipment. |                        |                           |
| <b>Vehicle Acquisition and Disposition</b>                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>\$81,822</b>        | <b>0.5</b>                |
| Select vehicles/equipment for replacement and disposal in a systematic and cost-effective manner that minimizes operating costs associated with ownership and satisfies the needs of the specific service provider. Conduct a thorough customer needs analysis, maximize vehicle utilization , "right-size" the fleet and dispose of surplus vehicles promptly after service life.                                                                          |                        |                           |
| <b>Motor Pool</b>                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>\$28,580</b>        | <b>0.0</b>                |
| Provide daily motor pool services to City departments which is a cost-effective alternative to department-owned vehicles. Identify pick-up and drop-off locations that are geographically convenient.                                                                                                                                                                                                                                                       |                        |                           |
| <b>Fixed Costs</b>                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>\$16,419</b>        | <b>N/A</b>                |
| <b>Total FY13 Budget</b>                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>\$8,117,085</b>     |                           |
| <b>Total FY13 Positions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                 |                        | <b>27.0</b>               |

**FY13 MANAGER'S  
RECOMMENDED  
BUDGET**

**FLEET SERVICES**

| <b>Performance Indicators</b>                     | <b>Type of Measurement</b> | <b>FY10 Actual</b> | <b>FY11 Actual</b> | <b>FY12 Estimate</b> | <b>FY13 Target</b> |
|---------------------------------------------------|----------------------------|--------------------|--------------------|----------------------|--------------------|
| Vehicle Maintenance and Repair Work Orders        | Output                     | 5,595              | 4,700              | 7,000                | 7,000              |
| Repair Comeback Rate (Industry Std = <4%)         | Outcome                    | <2.5%              | <2.5%              | <2.5%                | <2.5%              |
| 24 Hour Fuel Availability Rate                    | Outcome                    | 100%               | 100%               | 100%                 | 100%               |
| Preventative Maintenance Compliance Rate (Depts.) | Outcome                    | 97%                | 96%                | 96%                  | 96%                |
| Vehicle/Equipment Uptime Rate                     | Outcome                    | 93%                | 97%                | 97%                  | 97%                |
| Customer Satisfaction Rating                      | Outcome                    | 85%                | 85%                | 85%                  | 85%                |



**FY13 MANAGER'S  
RECOMMENDED  
BUDGET**

## FLEET SERVICES

### Expenditure Summary

| <i>Expenditures</i> | FY09<br>Actual   | FY10<br>Actual   | FY11<br>Actual   | FY12<br>Budget   | FY13<br>Budget   | Increase/<br>(Decrease) |
|---------------------|------------------|------------------|------------------|------------------|------------------|-------------------------|
| Personal Services   | 908,952          | 917,093          | 991,138          | 1,214,457        | 1,195,218        | (19,239)                |
| Operating Expenses  | 902,965          | 593,301          | 1,091,450        | 1,116,919        | 1,243,715        | 126,796                 |
| Capital Outlay      | 42,425           | 40,779           | 71,789           | 67,440           | 61,440           | (6,000)                 |
| Cost of Goods Sold  | 4,034,838        | 4,122,986        | 4,423,945        | 6,031,981        | 5,616,712        | (415,269)               |
| <b>Grand Total</b>  | <b>5,889,180</b> | <b>5,674,158</b> | <b>6,578,323</b> | <b>8,430,797</b> | <b>8,117,085</b> | <b>(313,712)</b>        |

**Budget Note:** The decrease in this budget is attributed to a higher than normal projection in fuel gallon consumption in FY12 due to the expectation of an additional 50 school buses coming on line. Additionally, the FY12 projection for parts was overstated due to unknowns related to Fleet Maintenance and repair consolidation efforts.

### Department Staffing History

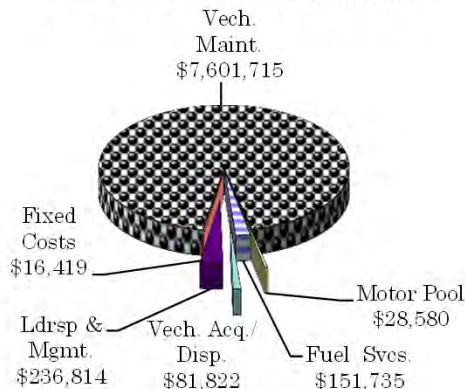
|                        | FY09      | FY10      | FY11      | FY12      | FY13      | Net<br>Increase/<br>(Decrease) |
|------------------------|-----------|-----------|-----------|-----------|-----------|--------------------------------|
| <b>Positions (PFT)</b> | <b>19</b> | <b>16</b> | <b>25</b> | <b>25</b> | <b>27</b> | <b>2</b>                       |

### FY 2013 Position Summary

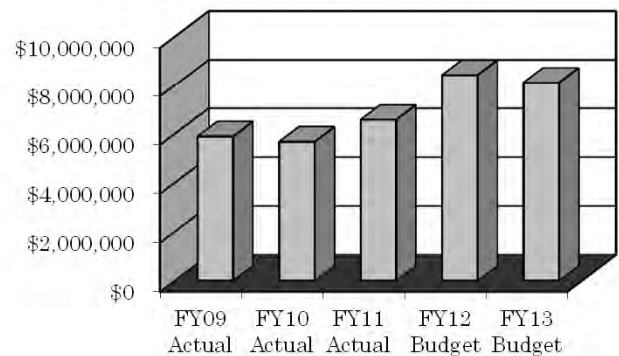
|                                    |                                      |
|------------------------------------|--------------------------------------|
| 1 Director                         | 1 Auto Welder                        |
| 1 Business Manager                 | 2 Master Fleet Services Technician   |
| 1 Automotive Services Specialist   | 1 Automotive Maintenance Team Leader |
| 1 Fleet Operation Services Manager | 11 Fleet Technician                  |
| 1 Heavy Equipment Technician       | 3 Automotive Services Attendant      |
| 1 Automotive Service Advisor       | 1 Automotive Maintenance Supervisor  |
| 1 Service Associate                | 1 Equipment Mechanic                 |

TOTAL PFT POSITIONS: 27

### FY 2013 Service Summary



### Budget Comparison FY09-13



## FLEET SERVICES

### Revenue Summary

| <i>Revenue Sources</i>                                     | <b>FY09<br/>Actual</b> | <b>FY10<br/>Actual</b> | <b>FY11<br/>Actual</b> | <b>FY12<br/>Budget</b> | <b>FY13<br/>Budget</b> | <b>Increase/<br/>(Decrease)</b> |
|------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|---------------------------------|
| Maintenance Services                                       | 979,874                | 490,982                | 480,868                | 332,903                | 419,714                | 86,811                          |
| Sales - Labor                                              | 491,970                | 856,093                | 1,426,990              | 1,732,140              | 1,666,013              | (66,127)                        |
| Sales (Gas/Oil, Sublet, Parts/<br>Miscellaneous/Tires)     | 3,793,462              | 3,925,984              | 4,558,638              | 5,509,485              | 5,455,664              | (53,821)                        |
| Handling Fees (Gas, Oil, Sublet,<br>Parts/Tires, Disposal) | 286,639                | 424,957                | 546,046                | 418,048                | 430,790                | 12,742                          |
| Handling Fees - Overhead                                   | 176,831                | 183,226                | 106,560                | 0                      | 0                      | 0                               |
| Transfer from Equipment<br>Replacement Fund                | 111,386                | 0                      | 74,551                 | 48,945                 | 41,788                 | (7,157)                         |
| Transfer from Retained Earnings                            | 78,002                 | 0                      | 200,880                | 378,065                | 94,216                 | (283,849)                       |
| Motor Pool                                                 | 16,909                 | 11,376                 | 30,847                 | 11,211                 | 8,900                  | (2,311)                         |
| <b>Total Revenues</b>                                      | <b>5,935,072</b>       | <b>5,892,618</b>       | <b>7,425,380</b>       | <b>8,430,797</b>       | <b>8,117,085</b>       | <b>(313,712)</b>                |



# INFORMATION TECHNOLOGY INTERNAL FUND



"The Information Technology department has been great to work with when I encounter problems with my computer and the network. They ensure the problems are fixed and work is not interrupted."

- Lynn Allsbrook

## INFORMATION TECHNOLOGY FUND

Information Technology is committed to implement and sustain information technology services which support the quality of life of Hampton citizens and maximizes the effectiveness of City government.

**The total budget for this department's internal service portion is \$1,651,399, which funds the following services in these approximate amounts:**

|                                                                                                                                                                                                                                                                                                                                                             | FY13<br>Budget     | FY13<br>Positions |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|
| <b>Telecommunications</b>                                                                                                                                                                                                                                                                                                                                   | <b>\$1,451,155</b> | <b>2.0</b>        |
| Provide telephone and communications services to City departments. The telecommunications division is essential to the continued operation of City departments. Performance metrics measure the uptime and availability of the services provided in order to meet the needs of City users. Telecommunications services strive to maintain 98% availability. |                    |                   |
| <b>Technical Support</b>                                                                                                                                                                                                                                                                                                                                    | <b>\$196,014</b>   | <b>2.0</b>        |
| Provide City employee end user support for PCs, laptops, printers, mobile devices, network access and end user software in a timely and cost effective manner. Performance metrics measure the uptime and availability of the services provided in order to meet the needs of City users. Telecommunications services strive to maintain 98% availability.  |                    |                   |
| <b>Fixed Costs</b>                                                                                                                                                                                                                                                                                                                                          | <b>\$4,230</b>     | <b>N/A</b>        |
| <b>Total FY13 Budget</b>                                                                                                                                                                                                                                                                                                                                    | <b>\$1,651,399</b> |                   |
| <b>Total FY13 Positions</b>                                                                                                                                                                                                                                                                                                                                 |                    | <b>4.0</b>        |

| Performance Indicators                                         | Type of<br>Measurement | FY10<br>Actual | FY11<br>Actual | FY12<br>Estimate | FY13<br>Target |
|----------------------------------------------------------------|------------------------|----------------|----------------|------------------|----------------|
| Two hour response time for Technical Support*                  | Effectiveness          | N/A            | N/A            | 98%              | 98%            |
| Telecommunications services availability during working hours* | Outcome                | N/A            | N/A            | 95%              | 95%            |

\* New Metric



### Expenditure Summary

|                     | FY09<br>Actual | FY10<br>Actual | FY11<br>Actual | FY12<br>Budget | FY13<br>Budget | Increase<br>(Decrease) |
|---------------------|----------------|----------------|----------------|----------------|----------------|------------------------|
| <i>Expenditures</i> |                |                |                |                |                |                        |
| Personal Services   | 316,009        | 320,039        | 233,222        | 209,378        | 213,060        | 3,682                  |
| Operating Expenses  | 1,263,546      | 1,282,455      | 1,252,108      | 1,241,521      | 1,293,912      | 52,391                 |
| Capital Outlay      | 464,704        | 178,330        | 149,165        | 200,500        | 144,427        | (56,073)               |
| Grand Total         | 2,044,259      | 1,780,824      | 1,634,495      | 1,651,399      | 1,651,399      | 0                      |

**Budget Note:** *This is a maintenance level budget.*

### Department Staffing History

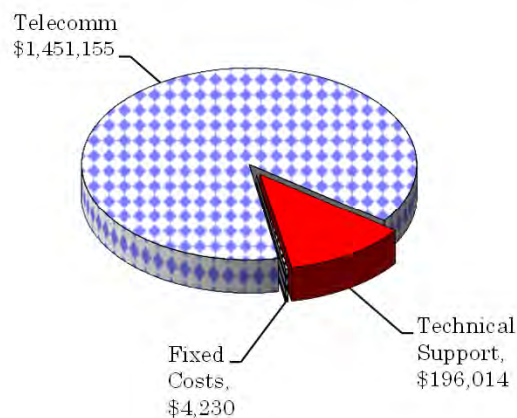
|                 | FY09 | FY10 | FY11 | FY12 | FY13 | Net<br>Increase<br>(Decrease) |
|-----------------|------|------|------|------|------|-------------------------------|
| Positions (PFT) | 8    | 6    | 5    | 4    | 4    | 0                             |

### FY 2013 Position Summary

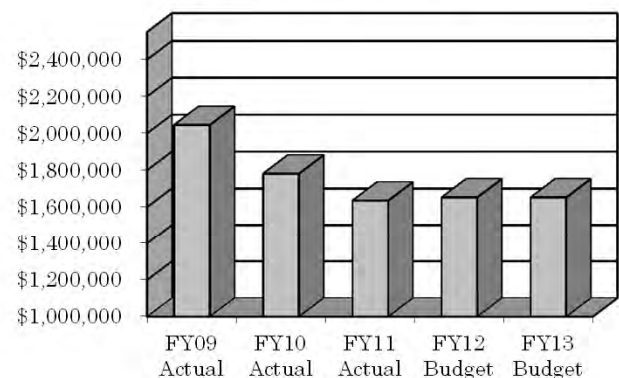
|                                          |                                    |
|------------------------------------------|------------------------------------|
| 1 Network & Telecomm. Service Manager    | 1 Technology Support Specialist II |
| 1 Sr. Technology Support Specialist Lead | 1 Telecomm. Support Specialist     |

TOTAL PFT POSITIONS: 4

### FY 2013 Service Summary



### Budget Comparison FY 2009-2013



## INFORMATION TECHNOLOGY FUND

### Revenue Summary

| <i>Revenue Sources</i>                  | FY08<br>Actual   | FY09<br>Actual   | FY10<br>Actual   | FY11<br>Actual   | FY12<br>Budget   | FY13<br>Budget   | Increase/<br>(Decrease) |
|-----------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------------|
| User Fees -<br>Telecommunications       | \$ 1,401,747     | \$ 1,560,812     | \$ 1,391,369     | \$ 1,384,400     | \$ 1,278,899     | \$ 1,261,672     | \$ (17,227)             |
| User Fees - PC<br>Support               | 92,224           | 127,568          | 117,320          | 29,010           | 0                | 0                | -                       |
| User Fees - Print<br>Services**         | 74,556           | 60,162           | 36,981           | 34,300           | 0                | 0                | -                       |
| User Fees -<br>Maintenance Charges      | 88,410           | 145,294          | 146,792          | 111,935          | 165,000          | 189,483          | 24,483                  |
| User Fees - Internet<br>Service Charges | 132,074          | 136,229          | 137,992          | 108,588          | 207,500          | 200,244          | (7,256)                 |
| Miscellaneous                           | 18,982           | 6,826            | 1,022            | (728)            | 0                | 0                | -                       |
| Appropriation-<br>Retained Earnings     | 0                | 0                | 0                | 0                | 0                | 0                | -                       |
| <b>Total Revenues</b>                   | <b>1,807,993</b> | <b>2,036,891</b> | <b>1,831,476</b> | <b>1,667,505</b> | <b>1,651,399</b> | <b>1,651,399</b> | <b>0</b>                |

\*\* Effective July 1, 2011, the Print Services function will reside within the Information Technology Department in the General Fund. In addition, a flat annual fee will be assessed per user for all PC support.

# RISK MANAGEMENT



"In a school division the size of Hampton, any number of things can go wrong, and never at a convenient time. It is nice to know that when we need the Risk Management Department's assistance, we can count on them to respond. Whether fire, flood or accident, Risk Management is there to help us recover as quickly as possible."

- Suzy Scott



## RISK MANAGEMENT

The Risk Management Department is responsible for mitigating and managing the City's exposure to risk. The department achieves this by managing the City's Self-Insurance program, purchasing insurance to protect its assets, actively managing liability and workers' compensation claims filed against the City, and implementing safety and loss control programs.

The total budget for this department is \$5,249,427, which funds the following services in these approximate amounts:

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | FY13<br>Budget                 | FY13<br>Positions      |                        |                          |                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------|------------------------|--------------------------|------------------------|
| <b>Leadership and Management</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>\$140,558</b>               | <b>1.0</b>             |                        |                          |                        |
| This service is responsible for the administration of the City's and Hampton City School's (HCS) Risk Management Program. This includes the management of all loss control and safety policies, the Risk Management Fund, the self-insured Worker's Compensation programs and the self-insured liability programs and the procurement of all insurance for the City and HCS. Additionally, oversight of all claims management functions including settlement and negotiations as well as monitoring the actions of contracted TPAs and insurance company adjusters. Guidance to City departments and divisions in areas of risk management and OSHA matters is also provided. Another important function is the approval of all City and HCS contracts with regard to insurance provisions and maintenance of Certificates of Insurance which provide proof that contractors are insured. |                                |                        |                        |                          |                        |
| <b>Worker's Compensation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>\$2,431,899</b>             | <b>2.5</b>             |                        |                          |                        |
| Provide Worker's Compensation services to City and HCS employees. The activities conducted include claims management, accident investigations to determine root causes of injuries and incidents, job hazard analysis, job function analysis, and Occupational Safety and Health training and program management. Staff serves as liaison to employees, their supervisors, health care providers and the TPA to obtain the quickest and most complete recovery possible while ensuring the employee is provided all the benefits set forth in the Virginia Worker's Compensation Act. Also, in this service is the environmental health and safety program which manages the City's safety program and the asbestos and lead management program.                                                                                                                                          |                                |                        |                        |                          |                        |
| <b>General Liability</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>\$2,641,777</b>             | <b>2.0</b>             |                        |                          |                        |
| Protect the assets and financial well being of the City and HCS by reducing potential loss before it occurs through the implementation of risk management loss control principles and by financing losses by providing insurance coverage for catastrophic losses that may occur as a result of acts of nature, human error and court judgments. Staff performs all functions of claims investigation, adjusting, and settlement negotiation, and payment if necessary for liability claims against the City and HCS. This section is also responsible for inspections of City and HCS facilities to determine possible hazards and liability problems, review of policies and procedures, and training in the principles of risk management.                                                                                                                                             |                                |                        |                        |                          |                        |
| <b>Fixed Costs</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>\$35,193</b>                | <b>N/A</b>             |                        |                          |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Total FY13 Budget</b>       | <b>\$5,249,427</b>     |                        |                          |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Total FY13 Positions</b>    | <b>5.5</b>             |                        |                          |                        |
| <b>Performance Indicators</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Type of<br/>Measurement</b> | <b>FY10<br/>Actual</b> | <b>FY11<br/>Actual</b> | <b>FY12<br/>Estimate</b> | <b>FY13<br/>Target</b> |
| No. of Workers' Compensation Claims                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Outcome                        | 235                    | 200                    | 190                      | 190                    |
| No. of General Liability Claims                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Outcome                        | 179                    | 160                    | 155                      | 155                    |
| No. of Property Damage by City Claims                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Outcome                        | 46                     | 40                     | 40                       | 40                     |



## RISK MANAGEMENT

### Expenditure Summary

|                     | FY09<br>Actual   | FY10<br>Actual   | FY11<br>Actual   | FY12<br>Budget   | FY13<br>Budget   | Increase<br>(Decrease) |
|---------------------|------------------|------------------|------------------|------------------|------------------|------------------------|
| <b>Expenditures</b> |                  |                  |                  |                  |                  |                        |
| Personal Services   | 237,141          | 226,274          | 255,666          | 302,916          | 297,289          | (5,627)                |
| Operating Expenses  | 1,323,292        | 5,316,771        | 3,912,226        | 4,800,142        | 4,951,138        | 150,996                |
| Capital Outlay      | 3,691            | 4,581            | 3,470            | 500              | 1,000            | 500                    |
| <b>Grand Total</b>  | <b>1,564,124</b> | <b>5,547,626</b> | <b>4,171,362</b> | <b>5,103,558</b> | <b>5,249,427</b> | <b>145,869</b>         |

**Budget Note:** This budget accounts for an increase in Worker's Compensation. Otherwise, it is at maintenance level.

### Department Staffing History

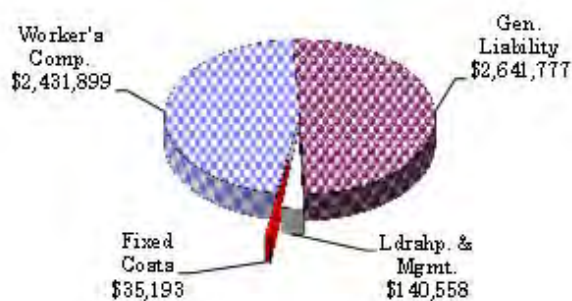
|                 | FY09 | FY10 | FY11 | FY12 | FY13 | Net<br>Increase<br>(Decrease) |
|-----------------|------|------|------|------|------|-------------------------------|
| Positions (PFT) | 5.5  | 4.5  | 5.5  | 5.5  | 5.5  | 0.0                           |

### FY 2013 Position Summary

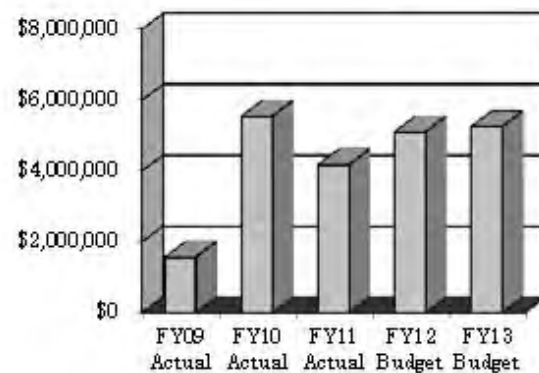
|                   |                                           |
|-------------------|-------------------------------------------|
| 1 Risk Manager    | 2 Staff Support Technician II             |
| 1 Claims Manager  | 1 Environmental Health/Safety Coordinator |
| 0.5 City Attorney |                                           |

**TOTAL PFT POSITIONS: 5.5**

### FY 2013 Service Summary



### Budget Comparison FY09-13



## RISK MANAGEMENT

### Revenue Summary

| <i>Revenue Source</i>       | FY09<br>Actual   | FY10<br>Actual   | FY11<br>Actual   | FY12<br>Budget   | FY13<br>Budget   | Increase/<br>(Decrease) |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|-------------------------|
| General Liability Insurance | 1,641,444        | 1,704,966        | 1,803,888        | 2,396,784        | 1,933,773        | (463,011)               |
| Auto Insurance              | 758,500          | 804,081          | 822,139          | 811,695          | 795,220          | (16,475)                |
| Worker's Compensation       | 2,223,566        | 2,160,703        | 2,459,023        | 1,895,079        | 2,520,434        | 625,355                 |
| <b>Total Revenues</b>       | <b>4,623,510</b> | <b>4,669,750</b> | <b>5,085,050</b> | <b>5,103,558</b> | <b>5,249,427</b> | <b>145,869</b>          |